

BATH WARE FIRMS AND 24 MEN INDICTED

Government Accuses Sanitary Pottery Association of Unfair Practices.

BUSINESS IS BIG HERE

Apartment Building Costs Affected by Prices of Manufacturers.

HAYWARD LEADS INQUIRY

Expects Defendants to Plead Soon and Get an Early Trial Under Trust Law.

Twenty-three potteries, and twenty-four of their officers in the Sanitary Pottery Association, controlling 55 per cent, of the industry in the United States, have been indicted under the Sherman anti-trust law. It became known last night. The indictment was unsealed by Col. William Hayward, United States Attorney.

Col. Hayward, who had directed an investigation for six months, said the indictment was returned last month by the Federal Grand Jury, which remained in special session to finish the inquiry, but had been held under seal pending an investigation into a collateral inquiry.

The indicted potteries are engaged principally in the manufacture of porcelain and earthenware fixtures for bathrooms. Since a large proportion of their product goes into apartment houses, Col. Hayward said the action is of vital concern to New York city and the country at large.

Flare Prices Out of Reason.

The indictment is in two counts, one charging a price fixing combination and the other accusing the defendants of unlawfully restricting their sales so specially selected "legitimate jobbers."

It is alleged that "these defendants manufacture and sell upward of 55 per cent, of all the sanitary pottery manufactured in the United States; that through the medium of their association they refrained from competing with each other as to the prices at which sanitary pottery should be sold, and that by common and concerted action they exacted uniform, arbitrary and non-competitive prices." Several overt acts are alleged in the Southern District of New York.

Regarding the second count, Col. Hayward said the selling practices of the defendants tended to increase the price to the consumer beyond all reasonable proportions. He continued:

"This association had a rule whereby its members were to sell their merchandise directly to the builder or architect or contractor, except through the medium of a jobber or plumber. In other words, the manufacturer would fix his sales to so-called 'legitimate jobbers.' The plumber's profit would be added and it would then go to the contractor. Each one of the above was placed in a position whereby it could, without fear or competition, dictate its own price and dictate its own profit."

The case was presented to the Grand Jury by David L. Fiedler, special assistant to the United States Attorney, who said the defendants will be called for pleading within two weeks and that the case will go to trial at an early date.

List of Defendants.

The twenty-three companies and twenty-four individuals indicted are: Abington Sanitary Manufacturing Company, Abington, Ill., and James E. Slater, president and manager; Acme Sanitary Pottery Company, Trenton, and James A. Dorey, Jr., secretary; B. O. T. Manufacturing Company, Trenton, and Ben O. Tilden, president; Bowers Pottery Company, Manassas, Va., and John W. Bowers, president; Camden Pottery Company, Camden, and T. Munroe Dobbin, president and treasurer; Chicago Pottery Company, Chicago, and Theodore H. Harker, secretary and treasurer; Cochran-Druggan & Co., Trenton, and Walter F. Druggan, vice-president; Eller Company, Camden, W. Va., and Ford City, Pa., and Raymond E. Crane, vice-president; Kalamazoo Sanitary Manufacturing Company, Kalamazoo, Mich., and Edward V. Brigham, vice-president and general manager; Kokomo Sanitary Pottery Company, Kokomo, Ind., and E. E. Rhodes, general manager; Keystone Pottery Company, Trenton, and Harry J. Lyons, president and treasurer.

Also Lambertville Pottery Company, Lambertville, N. J., and Philip J. Z. Fabry, treasurer; John Maddock & Sons Company, Trenton, and William B. Maddock, secretary; Thomas Maddock's Sons Company, Trenton, and Archibald M. Maddock, president; National-Helfrich Pottery Company, Evansville, Ind., and Harry F. Wen, secretary and general manager; Pacific Sanitary Pottery Company, Richmond, Cal., and Newton W. Stern, president; Resolute Pottery Company, Trenton, and John F. Smith, treasurer; Sanitary Earthenware Specialty Co., Trenton, and Arthur Planter, Sr., president and general manager; Standard Sanitary Manufacturing Company, Kokomo, Ind., and Tiffin, Ohio, and A. C. Kaibfleisch and Sirodon B. Kline, factory managers, and W. C. Chamberlain, sales manager; Trenton Pottery Company, Trenton, and Elsey S. Altlin, general manager; Universal Pottery Manufacturing Company, New Castle, Pa.; Wheeling Sanitary Manufacturing Company, Wheeling, W. Va., and J. E. Wright, president and general manager, and Horton Pottery Company, Chillicothe, O., and Chris Horton, president and treasurer.

BROKER SAYS DANCER TRIED TO WRECK PLACE

Vaudeville Held in Bail for Greenwich Village Frank.

Bonita Hearn, 33, vaudeville dancer, of 247 West 40th street, was held in \$500 bail yesterday for examination Monday. She was arraigned before Magistrate Corrigan in Essex Market Court. Miss Hearn was arrested late Thursday night in the apartment of Harry C. Rice, a broker, living at 41 Washington street.

Rice said that Miss Hearn arrived at his apartment at 5:30 o'clock in the afternoon and immediately became violent, knocking down expensive vases, tearing paintings from the walls and otherwise wrecking the place. He tried to make her leave, he said, and finally had to call the Mercer street police station.

SMUGGLING IS SOLE BASIS OF ILLEGAL DRUG TRAFFIC

Secretary Hughes Informs the Netherlands Government

That Control Over Legal Supplies Here Is Very Near to Perfect.

Special Dispatch to THE NEW YORK HERALD, Washington, D. C., Sept. 29.

Smuggling is virtually the sole source of narcotics illegally used in the United States, a communication by Secretary of State Hughes to the Netherlands Government asserts. The communication, forwarded September 7, was made public today. It states that almost none of the narcotics manufactured here or legally imported, get into improper channels, and attributes this largely to the efficiency of the system of control.

The communication to the Netherlands Government, giving data on illegal drug traffic in the United States, with American measures for control, was sent in accordance with the terms of the Hague opium convention of 1912, which gave the Hague the responsibility of information relative to international control of harmful drugs.

This matter is now in the hands of the League of Nations, but the United States, not being a member of the League, cannot participate in the international work through The Hague.

Following is a summary by the State Department of the note to the Netherlands Government:

"The opium is not produced within the United States and our laws for the domestic control of narcotics contemplate that all opium needed in this country, was sent in accordance with the regulations are minute and provide for the licensing of all persons who may lawfully deal in opium, cocaine or their

derivatives. All such persons must be registered and make periodic reports of the quantities purchased, on hand or distributed. The control of the internal situation is in the hands of the narcotics division of the Bureau of Internal Revenue.

"The law of May 26, 1922, made some drastic alterations in the control of imports and exports of narcotics. Power was given to the board composed of the Secretary of State, the Secretary of the Treasury and the Secretary of Commerce to permit importation of raw opium only to those countries which had referred and were party to the Hague opium convention and protocol. The board also was given power to fix the quantity of opium and coca leaves which could legally be imported.

"The principal difficulty facing the administration of the narcotics laws has been the persistent smuggling of all kinds of narcotics from foreign countries. It is the opinion of those familiar with the administration of the laws that most of the narcotics surreptitiously sold in the United States are smuggled into the country from the manufacture and sale within the United States appears to be very effective and it is thought there is very little leakage from the legitimate source of the narcotics by distribution. There is no doubt, however, that large quantities of narcotics are smuggled into the country."

"Necessity for early action was increased to-day by information that the British Government was about to request the release of all vessels of British or Dominion registry which have been seized beyond the three mile limit, unless they were captured while engaged in traffic with the shore through the medium of their own boats. The British decision was based on recent instructions from President Harding to direct the seizure of the granting of any relief to him in this action, and while the adult defendant asks for no affirmative relief but sets up the misconduct of the plaintiff as a defense, only, the plaintiff asks for an adjudication that the adult defendant is guilty of the charges against her and for a finding to that effect herein.

"The testimony adduced by the plaintiff in support of these charges, uncontradicted and unexplained, is sufficient to justify him in believing her guilty of the charges made against her. A careful examination, however, of all of the testimony, has shaken my faith and belief in the testimony of the witnesses called in the plaintiff's behalf.

"It is claimed that this evidence tends to establish relations between the adult defendant and one Frederick Beauvais, a half-breed Indian guide, commencing at Lake Wyagmash in December of 1916, and continuing down until the early part of the year 1920.

"The facts agreed upon were that the vessel, British owned and commanded by a British subject, was boarded about six miles out by a motorboat from the American coast, which was then loaded with whisky and returned to shore, towing a small boat from the visiting ship. It was further agreed that the crew went ashore with the liquor and on the part of the Government— that the ship was seized outside the three mile limit.

"Judge Morton ruled that while 'the high seas are the territory of no nation' it did not follow that 'a nation is powerless against vessels offending against its law,' which remained outside a narrow limit. He quoted the opinion of Chief Justice Marshall in the case of Church vs. Hubbard that a nation could 'enforce its laws on the high seas' which transgressed the hospitality of waters adjacent to its coast 'if reasonably necessary for its proper protection and the enforcement of its laws.'

"The witness Grenon testified that on fifteen different mornings he peered through the keyhole of the door of Beauvais's room and saw Beauvais and the adult defendant together.

"The testimony as to the occupancy of the Beauvais house in the summer of 1918 and as to the defendant and the correspondent being together in June or July of 1919 and in September of that year deserves careful scrutiny.

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HIGH COURT TO RUSH RULING ON DRY ZONE

Federal Judge Morton of Massachusetts Stands by Marshall Decision.

BRITISH ACTION QUOTED

Demand for Release of Grace and Ruby and Other Vessels Prompts Speed.

WASHINGTON, Sept. 29 (Associated Press).—Early decision by the United States Supreme Court upon the question of Federal jurisdiction over foreign vessels engaged in illegal activities outside the three mile limit was forecast in Government circles to-day after information had been received that United States Judge James M. Morton at Boston had certified that question to the highest court in the case of the schooner Grace and Ruby.

With the October term of the Supreme Court opening next Monday, the Government is prepared to ask for expeditious consideration of the question as constituting the crux of the prohibition-enforcement campaign along the long coast lines of the United States.

Necessity for early action was increased to-day by information that the British Government was about to request the release of all vessels of British or Dominion registry which have been seized beyond the three mile limit, unless they were captured while engaged in traffic with the shore through the medium of their own boats. The British decision was based on recent instructions from President Harding to direct the seizure of the granting of any relief to him in this action, and while the adult defendant asks for no affirmative relief but sets up the misconduct of the plaintiff as a defense, only, the plaintiff asks for an adjudication that the adult defendant is guilty of the charges against her and for a finding to that effect herein.

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EXPERTS OF THE TELEPHONE LISTEN IN ON LONG CIRCUIT

Headed by Gen. Carty, the Pioneers Have a Lively Evening, Which Includes the Passing Along of a Recipe for Making Mint Juleps.

CLEVELAND, Sept. 29 (Associated Press).—Members of the Telephone Pioneers of America and an audience of 13,000 persons witnessed a demonstration of the wonders of modern telephony at to-night's session of the ninth annual convention of the pioneers held in the new public hall here. More than 2,000 persons from all parts of the country who have had more than twenty-one years continuous experience in telephony work are attending the convention.

Gen. John J. Carty of New York, president of the pioneers, presided and carried on telephonic conversations with Havana on one end of a telephone "set up" and San Francisco on the other with a score of intermediate cities throughout the United States answering a roll call.

Previous to the demonstration of the development of modern telephony Gen. Carty delivered an address and Newton D. Baker, former Secretary of War, paid a touching tribute to the late Alexander Graham Bell, the inventor of the telephone, and to Gen. Carty's work in charge of the American army's communication service in France during the war.

On a huge map of the United States, set up on the stage, tiny electric lights flashed as the different cities throughout the country answered Gen. Carty's calling of their names.

Starting with Cleveland, which answered "here," Gen. Carty received responses to the roll call from Beaver Dam, Ohio; Chicago; Davenport, Ia.; Omaha and North Platte, Neb.; Denver, Salt Lake City, Sacramento and San Francisco, in the order named.

Then Gen. Carty extended the roll call to Pittsburgh, Harrisburg, New York City, Philadelphia, Jacksonville, Palm Beach and Key West and Havana, Cuba, all promptly answering "here." Havana said the applause of the Cleveland audience was heard and Mr. Bates at San Francisco said he heard Havana clearly.

Speaking from San Francisco Mr. Bates gave Mr. Caldwell in Havana the recipe for making a mint julep. Mr. Bates's daughter in San Francisco then played a violin solo and Havana followed with a chimes phonograph record, both cities saying they heard the other's musical selection perfectly.

The demonstration closed with "Good night, General Carty," from each city that had answered the roll call and tape from San Francisco.

wait till the last minute and then expect to get what coal he needs from his dealer by the lagniappe of a five dollar bill.

"To wait, hoping for favoritism or to obtain an unfair proportion by encouraging the dealer to profiteer," he said, "is to invite the penalties of severe fines with their attendant disgrace, if not actual imprisonment."

"We ourselves are worried by this coal situation," said the Fuel Administrator. "Nobody seems to pay attention to providing any substitute fuel. There is sufficient hard coal, domestic sizes, if the weather holds fine. If there is a severe winter there will surely be a real shortage."

Mr. Woodin's statement was his first detailed prognosis for the winter after a week devoted to confidential conferences with mine owners, railroads and dealers.

Where the householder had two buckets of stove coal last winter he will only have about one bucket this winter. Mr. Woodin said his experts had determined. At the most the mines will be able to produce but 50 to 60 per cent. of the normal supply, a figure fixed only after painstaking checking and re-checking of estimates.

"In this situation," continued Mr. Woodin, "with substitutes such as soft coal, coke, wood and gas available to the household consumer, I earnestly advise all household consumers to purchase substitutes while they can be certain of deliveries."

The Fuel Administrator particularly warned the consumer who feels he can

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WAR DEBT IS CLEAR OF NEAR EAST PERIL

Smoot Feels New Troubles Will Not Delay British Payments.

FUNDING BOARD MEETS

Advances Plans for Receiving Representatives of Debtor Nations.

Special Dispatch to THE NEW YORK HERALD, Washington, D. C., Sept. 29.

Communications from foreign nations relative to the \$10,000,000,000 debt which the United States has outstanding against the European Powers, together with the general outlook for the funding operations, were considered at a lengthy conference of the World War Funding Commission to-day.

The commission discussed plans for receiving the British Funding Commission expected to arrive here October 30. Following the meeting, Senator Reed Smoot, Utah, a member of the body, declared that the commission felt assured that the disturbances in the Near East would not interfere with the funding plans of this Government.

When the meeting adjourned the following statement was issued from the Treasury Department:

"The World War Funding Commission held a meeting to-day at its office in the Treasury Department. Certain information which had been received

since the last meeting was considered; also the communications which have been made to the Commission by some of the debtor countries.

"The meeting discussed informally the form which its report to Congress should take, which report, according to law, must be issued as part of the annual report of the Secretary of the Treasury. There is no announcement to make as to this report, which does not finally go to press until the 15th of November. Certain data will, however, be prepared to be considered by the committee at its next regular meeting as being appropriate for publication."

Notwithstanding the non-committal character of this statement, it is understood some matters of vital importance were taken up, including the suggestion, spoken of as "the American plan," that collection should start at a low rate of interest and increase with the economic revival of the debtor nations.

In this connection there has been talk of fixing a low rate of interest for the first decade over which the debt is to extend, say 2 per cent, or thereabouts, the percentage gradually increasing until with the final payments after the end of twenty-five years the interest on the capital would equal the 4 1/2 per cent. minimum specified by Congress.

After the meeting of the commission Senator Smoot over which the House, where he conferred with President Harding, and acquainted him with the outlook of the funding project. It was indicated that, based on a general survey of economic conditions, the political situation in Europe was also discussed.

The commission, Mr. Smoot intimated, feels sure that Great Britain will make the expected payment of \$5,000,000,000 interest due October 15. He deprecated propaganda emanating from Europe to the effect that the Near East developments had jeopardized the American prospect for putting the debt on a paying basis.

"Some propaganda," he said, "has been visible to the effect that the situation in the Near East will prevent Great Britain from meeting her obligations to the United States. It is our opinion that when the time comes to pay the \$5,000,000,000 as interest on her loans, that country will be able to do so."

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